

Can the Labor Market Get Even Tighter?

*Non-Urban
Areas May be
at Risk from
Baby-Boomer
Retirements*

Boomers

GRAYING BABY BOOMERS

In 2006, the first Baby Boomers turned 60 years old. Some have already retired, and retirement looms for many more. The psychedelic child is now facing the golden years. Yes, “the times, they are a-changin’.”

Just as this huge cohort has dominated the demographics of the labor market since they entered it, they could create a large vacuum as they leave it. Baby Boomers make up the backbone of many occupations in healthcare, education, and government. If Baby Boomers choose to retire like their elders, an already tight labor market could really feel the pinch.

WE'RE YOUNG, BUT...

Utah's population ranks as the youngest in the nation. However, while urban areas with their young populations may sail easily through baby boomer retirements, non-urban counties are at greater risk. With current unemployment rates below the 3-percent mark in many less-populated areas, could the labor market get even tighter in the future?

Populations outside the Wasatch Front tend to be older than their urban counterparts. For example, the 15 oldest counties in Utah based on median age are off the Wasatch Front. Off-the-Front counties with the youngest populations typically include a dominant college or university—such as Cache, Iron, and Sanpete counties. Does the same hold true for the workforce?

LESS POPULATION, MORE RISK

Are less-urbanized labor markets at more risk from retiring Baby Boomers? Thanks to data from the Local Employment Dynamics (LED) program, we

can easily answer that question with a resounding “yes.” Statewide, roughly 12 percent of workers are 55 years or older. However, several less-populated counties—Daggett, Piute, Garfield—have shares of older workers almost double that rate. No Wasatch-Front county shows an older-worker share above the state average.

Interestingly, Sanpete and San Juan counties both show relatively low median ages, but high shares of older workers. Iron, Uintah, Cache and Summit counties are the only non-Front counties to show older-worker shares equal to or below the statewide average.

THE GOOD NEWS

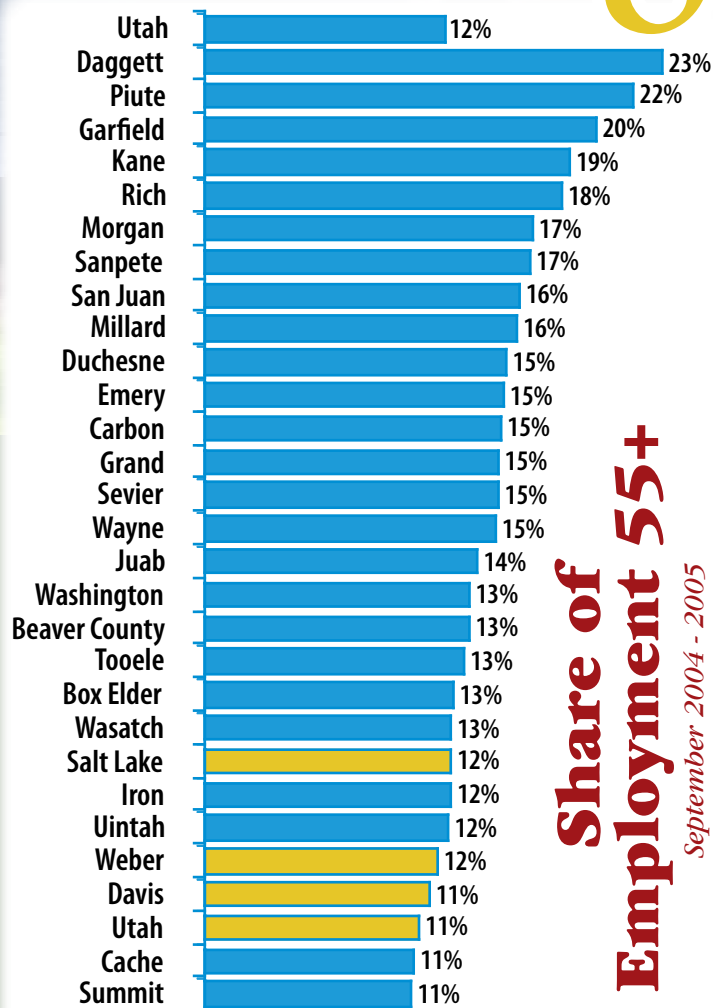
Is there some good news? A remarkable number of folks are working past the age of 65. LED data suggests that in 2005, 27,000 Utah workers were 65 and older. A large portion of Baby Boomers—a group which has tended to live life its own way—have indicated that they would prefer to work into those golden years. However, they do want to ease back the level of their labor force participation.

There's statistical writing on the wall. Now is the time for employers to start building more flexibility into work schedules if they want to retain the services of their baby boomer workers in the future and avoid an ever-tightening labor pool. Since most less-urbanized counties have older workforces, they may have the opportunity to deal with these issues sooner rather than later. ●

For more information about the age of your industry and county's workforce, see:

<http://lehd.dsd.census.gov/led/datatools/qwiapp.html>

Retiring



**Share of
Employment 55+**

September 2004 - 2005

Source: U.S. Census Bureau; LEHD Program

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